

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 832 Session of 2015

INTRODUCED BY DINNIMAN, TEPLITZ, TARTAGLIONE, COSTA, FONTANA, VULAKOVICH AND BREWSTER, MAY 14, 2015

REFERRED TO EDUCATION, MAY 14, 2015

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in charter schools, providing for
6 charter school and cyber charter school fund balance limits.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
10 as the Public School Code of 1949, is amended by adding sections
11 to read:

12 Section 1733-A. Charter School Fund Balance Limit.--(a) For
13 the 2014-2015 school year and each school year thereafter, a
14 charter school that is not a cyber charter school shall not
15 accumulate an unassigned fund balance greater than the charter
16 school fund balance limit, which will be determined as follows:

	<u>Maximum Unassigned Fund</u>
17	<u>Balance as Percentage of</u>
18	<u>Charter School Entity</u>
19	<u>Total Budgeted Expenditures</u>
20	<u>Total Budgeted Expenditures</u>
	<u>Less than or equal to \$11,999,999</u>
	<u>12%</u>

1	<u>Between \$12,000,000 and \$12,999,999</u>	<u>11.5%</u>
2	<u>Between \$13,000,000 and \$13,999,999</u>	<u>11%</u>
3	<u>Between \$14,000,000 and \$14,999,999</u>	<u>10.5%</u>
4	<u>Between \$15,000,000 and \$15,999,999</u>	<u>10%</u>
5	<u>Between \$16,000,000 and \$16,999,999</u>	<u>9.5%</u>
6	<u>Between \$17,000,000 and \$17,999,999</u>	<u>9%</u>
7	<u>Between \$18,000,000 and \$18,999,999</u>	<u>8.5%</u>
8	<u>Greater than or equal to \$19,000,000</u>	<u>8%</u>

9     (b) Any unassigned fund balance in place on June 30, 2015,  
10 that exceeds the charter school fund balance limit shall be  
11 refunded on a per student pro rata basis within ninety (90) days  
12 to all school districts that made payments under section 1725-A  
13 in the 2013-2014 and 2014-2015 school years. The funds may not  
14 be used to pay bonuses to any administrator, board of trustees  
15 member, employe, staff or contractor or be transferred to a  
16 charter school foundation.

17     (c) For the 2015-2016 school year and each school year  
18 thereafter, any unassigned fund balance in excess of the charter  
19 school fund balance limit shall be refunded on a per student pro  
20 rata basis to all school districts that made payments under  
21 section 1725-A in the prior school year.

22     (d) By August 15, 2015, and by August 15 of each year  
23 thereafter, each charter school shall provide the department  
24 with information certifying compliance with this section. The  
25 information shall be provided in a form and manner prescribed by  
26 the department and shall include information on the charter  
27 school's estimated ending unassigned fund balance expressed as a  
28 dollar amount and as a percentage of the charter school's total  
29 budgeted expenditures for that school year.

30     (e) As used in this section, "unassigned fund balance" shall

1 mean that portion of the fund balance which represents the part  
2 of the spendable fund balance that has not been categorized as  
3 restricted, committed or assigned.

4 Section 1752-A. Cyber charter school fund balance limit.

5 (a) Limit.--For the 2014-2015 school year and each school  
6 year thereafter, no cyber charter school shall accumulate an  
7 unassigned fund balance greater than the cyber charter school  
8 fund balance limit, which shall be determined as follows:

<u>Charter School Entity</u>	<u>Maximum Unassigned Fund Balance as Percentage of</u>
<u>Total Budgeted Expenditures</u>	<u>Total Budgeted Expenditures</u>
<u>Less than or equal to \$11,999,999</u>	<u>12%</u>
<u>Between \$12,000,000 and \$12,999,999</u>	<u>11.5%</u>
<u>Between \$13,000,000 and \$13,999,999</u>	<u>11%</u>
<u>Between \$14,000,000 and \$14,999,999</u>	<u>10.5%</u>
<u>Between \$15,000,000 and \$15,999,999</u>	<u>10%</u>
<u>Between \$16,000,000 and \$16,999,999</u>	<u>9.5%</u>
<u>Between \$17,000,000 and \$17,999,999</u>	<u>9%</u>
<u>Between \$18,000,000 and \$18,999,999</u>	<u>8.5%</u>
<u>Greater than or equal to \$19,000,000</u>	<u>8%</u>

21 (b) Distribution.--Any unassigned fund balance in place on  
22 June 30, 2015, that exceeds the cyber charter school fund  
23 balance limit shall be distributed by the cyber charter school  
24 on a per student pro rata basis within 90 days to all school  
25 districts that made payments under section 1725-A to the cyber  
26 charter school in the 2013-2014 and 2014-2015 school years. The  
27 funds may not be used to pay bonuses to any administrator, board  
28 of trustees member, employee, staff or contractor or be  
29 transferred to a charter school foundation.

30 (c) Refunds.--For the 2015-2016 school year and each school

1 year thereafter, any unassigned fund balance in excess of the  
2 cyber charter school fund balance limit shall be refunded on a  
3 per student pro rata basis to all school districts that made  
4 payments to the cyber charter school under section 1725-A in the  
5 prior school year.

6 (d) Certification of compliance.--By August 15, 2015, and by  
7 August 15 of each year thereafter, each cyber charter school  
8 shall provide the department with information certifying  
9 compliance with this section. The information shall be provided  
10 in a form and manner prescribed by the department and shall  
11 include information on the cyber charter school's estimated  
12 ending unassigned fund balance expressed as a dollar amount and  
13 as a percentage of the cyber charter school's total budgeted  
14 expenditures for that school year.

15 (e) Definition.--As used in this section, "unassigned fund  
16 balance" shall mean that portion of the fund balance which  
17 represents the part of the spendable fund balance that has not  
18 been categorized as restricted, committed or assigned.

19 Section 2. This act shall take effect immediately.